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SC BUDGET AND CONTROL BOARD

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CHAIRMAN, SENATE FINANCE COMMITTEE

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CHAIRMAN, HOUSE WAYS AND MEANS
COMMITTEE

September 2, 2014

Dear Agency Directors and Chief Financial Officers,

Proviso 117.88, Bank Account Transparency and Accountability (attached), of the FY 2014-15 Appropriation Act requires state agencies which have a composite reservoir bank account which is not included in STARS or SCEIS to submit a report to the members of the Budget and Control Board. For an account to be considered as operating within SCEIS, individual transactions must be recorded within SCEIS throughout the year. Inclusion of these accounts only as part of closing packages does not constitute an account included in SCEIS and a report is required.

If your agency *has* a composite account, please provide a copy your report. If your agency *does not* have a composite account operating outside of STARS or SCEIS, please submit a letter or email indicating such. The proviso directs that for *each account* the report is to include the name and title of each person authorized to sign checks and/or make withdrawals; the name and title of each person responsible for performing reconciliations; the beginning and year-end balance of funds; and, data related to both deposits and expenditures from this account. Attached for your use is an Excel Template for the report.

If your agency determines that release of the required information would be detrimental to the state or the agency and an exemption was not approved last year, the agency may request an exception from this reporting requirement. A detailed justification must accompany your request. The Budget and Control Board may grant the exemption upon approval by the majority of the members in a public meeting. *If you are requesting an exemption, please complete the report excluding the detailed deposit and withdrawal information for each account. However, include total deposits and expenditures.*

For agencies that received an exemption by the Budget and Control Board at a previous meeting, a request for an exemption is not required. However, the Board's action included the requirement that agencies annually report: the name of the account, name and title of each individual responsible for making withdrawals and deposits, and the beginning balance, total deposits, total expenditures and year-end balance of the account. Please use attached Excel report template for the required information. Under the detailed financial information include total deposits and total expenditures.

This information is due no later than **October 1, 2014**. Please provide two printed copies of the Excel report for each account and send an email with the Excel documents attached. This information should be sent to me at Bhart@budget.sc.gov.

If you have any questions, feel free to contact me at 734-2280.

Sincerely,

Brenda Hart

Attachments

Cc: Marcia Adams
Eddie Gunn

FY 2014-15 Appropriation Act
Part IB

117.88. (GP: Bank Account Transparency and Accountability) Each state agency, except state institutions of higher learning, which has composite reservoir bank accounts or any other accounts containing public funds which are not included in the Comptroller General's Statewide Accounting and Reporting System or the South Carolina Enterprise Information System shall prepare a report for each account disclosing every transaction of the account in the prior fiscal year. The report shall be submitted to the Budget and Control Board by October first of each fiscal year. The report shall include the name(s) and title(s) of each person authorized to sign checks or make withdrawals from each account, the name and title of each person responsible for reconciling each account, the beginning and year-end balance of funds in each account, and data related to both deposits and expenditures of each account. The report shall include, but not be limited to, the date, amount, and source of each deposit transaction and the date, name of the payee, the transaction amount, and a description of the goods or services purchased for each expenditure transaction. To facilitate review, the Budget and Control Board shall prescribe a common format for the report which agencies must use. In order to promote accountability and transparency, a link to the report shall be posted on the Comptroller General's website as well as the agency's homepage.

When the State Auditor conducts or contracts for an audit of a state agency, accounts of the agency subject to this proviso must be included as part of the review.

If an agency determines that the release of the information required in this provision would be detrimental to the state or the agency, the agency may petition the Budget and Control Board to grant the agency an exemption from the reporting requirements for the detrimental portion. The meeting to determine whether an exemption should be granted shall be closed. However, the exemption may only be granted upon a majority vote of the Budget and Control Board in a public meeting.